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history and human progress. The French translation is admirably done. And it is with pleasure that the announcement can be made that an English translation is soon to be undertaken by a young American scholar. If any work of the last decade deserves this distinction it is surely that of the talented and erudite Paduan professor.

EDWIN R. A. SELIGMAN.

La Riduzione delle Ore di Lavoro e i suoi Effetti Economici.

By RICCARDO DALLA VOLTA. Firenze, Fratelli Bocca, 1891.—134 pp.

La Législation Internationale du Travail. Par PAUL BOILEY.

Paris, Félix Alcan, 1892.—303 pp.

Guide Pratique pour l'Application de la Participation aux Bénéfices. Par ALBERT TROMBERT. Introduction by CHARLES

ROBERT. Paris, Librairie Chaix and Librairie Guillaumin, 1892.

— 334 pp.

The two most distinctive features of the modern labor-reform movement are the demand for a reduction in the hours of labor and that for a more equitable distribution of the profits of production. The motives and, still more, the methods proposed for accomplishing these ends are as numerous as are the types of mind that essay to originate panaceas and direct social and labor reforms. The two main types may be called the socialistic and individualistic, though there is much crossing between them, and there are numerous varieties included within each type. The attitude taken towards these reform movements will depend very largely upon the subjective influences and particular bent of mind of any person.

In the books before us we have represented only the individualistic type. Two of the authors, Dalla Volta and Boiley, point out the fallacies and criticize the claims of those, especially socialists, who advocate an eight-hour day; while Robert and Trombert present the theory and practice of, perhaps, the most important and valuable individualistic scheme for securing a more equitable compensation to labor.

Dalla Volta, in his *Reduction of the Hours of Labor*, and Boiley, in his *International Legislation of Labor*, cover very much the same ground and, with slight differences, agree in their criticism of the eight-hour day. Both alike point out the contradiction in the claim

that a reduction of the hours of labor will both increase wages and absorb into industries the great army of the unemployed. But while it is the opinion of Dalla Volta that no such absorption would take place, because of the industrial improvements that would follow, M. Boilley, speaking more especially of France, is inclined to think that the present amount of production could not be maintained for want of sufficient laborers.

Both authors are chiefly historical and inductive, and fail to find in experience any argument for a further reduction of the hours of the labor day. The important truth is recognized, and more particularly pointed out by Dalla Volta, that it is logically fallacious to argue from the effects of past to the effects of future reductions, since the argument assumes that industrial conditions remain the same, while it is a notorious fact that they have gone through immense transformations and are still constantly changing. It is freely granted that where hand labor still largely prevails in any industry the shortening of the labor day would have a temporary influence upon wages, and would decrease the number of the unemployed; but, in the end the introduction and improvement of machinery would offset these results, the reduction itself stimulating this industrial change. In its theoretical aspect, at least, the point might have been brought out more clearly by recurring to the law of diminishing returns in connection with the law of substitution. Boilley, on the other hand, shows the absurdity of making the labor day the same in all countries, since the industrial conditions are so different. But, though important, these are familiar facts.

The most characteristic difference between the two authors is in their treatment of the theory of compensation, or the intensity of labor—a difference due to different conceptions of the motives to human activity. To Boilley self-interest is the sole source of human activity. Reducing the hours of labor would involve no increased reward for greater effort on the part of the laborer; therefore, there would follow no greater intensity of labor. This narrow devotion to the principle of self-interest has blinded our French author to that broader comprehension of facts which characterizes the thought of the Italian. The latter views labor in its physiological and psychical aspects, and recognizes the relation between human activity and physiological and psychical exhaustion, the latter showing itself chiefly in relation to attention. Upon the whole, while the differences in the points made by the two authors are slight, Dalla Volta's treatment is broader and more philosophical.

Boilley's criticism of the socialistic arguments based upon scanty statistics is especially sound ; and there is not a little truth in his contention that what the laborer wants is not a reduction of the hours of labor but a larger money income, or a larger share of the product ; that the real problem is, therefore, to produce a more equitable distribution of the profits. The work of M. Trombert on *Profit Sharing* is an account of the different ways of applying this solution to the above problem. The systems of profit sharing in vogue are classified under nine different heads, according to the basis on which participation is effected : such as wages earned, time of service, merit and importance of position, or some combination of these. The work is purely practical, and aims only to explain the various systems for the special benefit of those who may wish to adopt profit sharing. The number of facts collected and the systematic arrangement render the work well adapted to its purpose. A special study is given in Chapter VII to the "Control of Accounts" — a most difficult and important question — and Chapter VIII contains a quite extensive bibliography of the literature of profit sharing.

M. Robert's "Introduction," of seventy-five pages, deals with the theoretical aspect of profit sharing. The system is not advocated as a good business venture nor as creating an interest and thereby a saving on the part of the laborer. It is, in the eyes of M. Robert, not at all a matter of philanthropy, but simply and solely a matter of justice. That is, a share in profits is the compensation for the risks run by employees — risks of death, mutilation, *etc.* — the counterpart of which is the compensation to capital for its risks. Here, in brief, is the *raison d'être* of profit sharing (page 14).

To criticise the theory here would be impossible, as questions of nomenclature would first have to be settled. Perhaps the most important objection, however, M. Robert himself recognizes when he declares that to apportion profits exactly, according to the two classes of risks, is an insoluble problem. Between "money capital" and "human capital," between a thing and a human being, there is no *tertium aestimationis*, no common term. The author, however, rightly indicates the close relation between ethics and economics, laying stress upon the distinctively human in the consideration of industrial life. Certain it is that the labor problem will never be solved on the purely abstract principles of economics grounded in self-interest. Because human labor is not "inanimate capital," ethical considerations must have their place, and man must be

recognized as, above all, a human and spiritual being, with a distinctive end of his own. Such recognition, in substance, M. Robert gives.

STEPHEN F. WESTON.

Deutsche Wirtschaftsgeschichte. Von KARL THEODOR VON INAMA-STERNEGG. Zweiter Band : 10. bis 12. Jahrhundert. Leipzig, Duncker & Humblot, 1891. — xii, 518 pp.

It is possible that some future historian of thought may assign to Dr. Inama-Sternegg's *Deutsche Wirtschaftsgeschichte* (appearing with its first volume in 1879, and now with its second) a position in the nineteenth century something like that of Montchrétien's *Traité de l'Économie Politique* in the seventeenth. The two books, widely as they differ in most other respects, have this in common : their titles alone, whatever may be the value of their contents, are important landmarks in science. They both indicate that the time had come for marking off a particular field of inquiry from the larger area in which it had before been included, and both set the example of staking out the lot. Dr. Inama-Sternegg's book, wherein almost for the first time economic history has made its appearance as a more or less independent study, is but a later stage in that process of specialization which earlier led to the rise of political economy.

It is interesting to watch a new study, a fresh academic discipline, coming into existence. It probably touches two or three already established studies ; and its first cultivators are commonly men who are already engaged in teaching one of these established studies, and who seem to themselves to be doing nothing but extending the area properly belonging to their own subject. And thus men meet together in a common interest who set out from very different starting-points, and realize with difficulty their new brotherhood. This is what is clearly taking place as to economic history. It is drawing students almost equally from the fields of "pure economics" and "pure history." We are yet in the midst of the process, and it would be unwise to predict the precise result ; at present the old "historical" or "economic" training, as the case may be, is still pretty easily discernible in each individual investigator ; but there are signs already of an identity of point of view, a community of purpose, which may in no long time do much to obliterate the marks of origin. To Dr. Inama-Sternegg not even Professor Menger would deny the name of economist. Among the most useful parts of his latest volume are those in which he shows how, during the period of